GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:3946
ANSWERED ON:09.12.2016
Chit Fund Companies Listed by SEBI
Sreeramulu Shri B.

Will the Minister of FINANCE be pleased to state:

(a) whether the Securities and Exchange Board of India (SEBI) has published a list of chitfund companies in the country;

(b) if so, the details thereof and the number of functional and defunct companies as on date;

(c) whether the SEBI has adequate control over the functioning of above chitfund companies and if so, the details thereof;

(d) the number of chitfund companies reported for fraud during the last three years, State/UT-wise particularly KTD mutual fund company from Uttar Pradesh; and

(e) the action taken/being taken by the Government against such companies during the said period, company-wise?

Answer

The Minister of State for Finance (Shri Arjun Ram Meghwal)

(a) SEBI has never published any list of chitfund companies in the country, as the same is outside the regulatory purview of SEBI.

(b) Does not arise in view of the reply (a) above.

(c) & (d) SEBI does not have any jurisdiction over Chit Funds. Chit Funds are regulated by State Governments under Chit Funds Act, 1982. SEBI regulates Collective Investment Schemes (CIS) as defined under section 11AA of the SEBI Act, 1992. Chit Fund activity is specifically exempted from the purview of CIS under Section 11AA (3) (vii) of SEBI Act, 1992. Further, KTD mutual fund company is not registered with SEBI as a Mutual Fund.

(e) Does not arise in view of the reply (c) & (d) above.